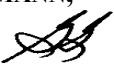




CITY COUNCIL

AGENDA REQUEST

AGENDA OF:	12-03-13	AGENDA REQUEST NO:	III-A
INITIATED BY:	LINDA DRAPP, ADMINISTRATIVE SPECIALIST	RESPONSIBLE DEPARTMENT:	CITY SECRETARY
PRESENTED BY:	GLENDA GUNDERMANN, CITY SECRETARY	DIRECTOR:	GLENDA GUNDERMANN, CITY SECRETARY 
		ADDITIONAL DIRECTOR (S):	N/A
SUBJECT / PROCEEDING:	MINUTES CITY COUNCIL MEETING NOVEMBER 19, 2013 APPROVE MINUTES		
EXHIBITS:	MINUTES NOVEMBER 19, 2013		
CLEARANCES		APPROVAL	
LEGAL:	N/A	ASSISTANT CITY MANAGER:	N/A
PURCHASING:	N/A	ASSISTANT CITY MANAGER:	N/A
BUDGET:	N/A	CITY MANAGER:	ALLEN BOGARD
BUDGET			
EXPENDITURE REQUIRED: \$		N/A	
CURRENT BUDGET: \$		N/A	
ADDITIONAL FUNDING: \$		N/A	
RECOMMENDED ACTION			
Approve the minutes of the November 19, 2013 City Council meeting.			

EXHIBITS

STATE OF TEXAS §
COUNTY OF FORT BEND §
CITY OF SUGAR LAND §

CITY OF SUGAR LAND
CITY COUNCIL REGULAR MEETING
TUESDAY, NOVEMBER 19, 2013

REGULAR MEETING

The City Council of the City of Sugar Land convened in a regular meeting open to the public and pursuant to notice thereof duly given in accordance with Chapter 551, Government Code, Vernon's Texas Codes, Annotated, as amended, in Sugar Land City Hall within said City on Tuesday, November 19, 2013 at 5:30 o'clock P.M. and the roll was called of the members; to wit:

James A. Thompson, Mayor
Himesh Gandhi, Council Member at Large, Position One
Joe R. Zimmerman, Council Member at Large, Position Two
Steve R. Porter, Council Member District One
Bridget R. Yeung, Council Member District Two
Amy L. Mitchell, Council Member District Three
Harish Jajoo, Council Member District Four

QUORUM PRESENT

All of said members were present.

Also present were:
Allen Bogard, City Manager
Glenda Gundermann, City Secretary
Mary Ann Powell, City Attorney, and
A Number of Visitors

CONVENE MEETING

Mayor James Thompson convened the session, open to the public, to order at 5:31 o'clock P.M.

INVOCATION

Council Member Jajoo delivered the invocation.

PLEDGE OF ALLEGIANCE

Council Member Jajoo led the pledge of allegiance to the Flag of the United States of America.

PUBLIC COMMENT

Mayor Thompson introduced Public Comment and entertained registered speakers.

Mr. H. F. Van Der Grinten, 1207 Ellcreek Court, spoke regarding Agenda Item VI.A, Traffic Safety Task Force Red Light Camera Program, and stated the Report is not accurate as *Chairman Zinn* reported that in a 7-3 vote, the Safety Task Force recommended that the City reevaluate the Camera Program, which Mr. Van Der Grinten stated did not occur. He stated the Task Force clearly voted 7-3 to modify the present Red Light Camera System, and stated extensive discussion but no vote shows the Task Force reluctance at this time to do more than recommend the study of four specific changes by a qualified independent committee of experts, but modification is clearly called for by the Task Force which leaves the specific changes up to the experts. Mr. Van Der Grinten noted that the Assistant City Manager for Public Safety had previously rejected three of the four changes that were discussed, and the Houston Coalition against Red Light Cameras made the three suggestions months ago. Mr. Van Der Grinten stated that the April 19 petition reflects the true voice of the voters who must decide this matter during the next election which is in May of 2014.

Mr. William E. Heierman, 12106 Blair Meadow Drive, Meadows Place, thanked the City Council for their interest in the feelings of the residents of Sugar Land, the law enforcement officials, and people who come into the City for work and play; and then spoke regarding Agenda Item VI.A, Traffic Safety Task Force Red Light Camera Program. Mr. Heierman stated he had appeared before City Council earlier and expressed his disappointment regarding not getting relief from an admittedly false accusation of unlawful conduct alleged by a notice, and realized now that his legal arguments which did not prevail were not the most effective. He stated his opinions, quoted the Texas Administrative Code and the Texas Transportation Code on moving violations, and expressed his concerns over the City's Red Light Camera ordinance.

Mr. Ray Patel, 502 Piedmont, spoke regarding Agenda Item VI.A, Traffic Safety Task Force Red Light Camera Program, and expressed his concerns with the City hiring an outside attorney to advise how the April 19 petition could be denied and authorizing a \$25,000 contract to pay the attorney, and believes this is an abuse of power. He stated he had attended some of the Task Force meetings and found that some members complained that the City would withhold some information. Mr. Patel asked that the City put the issue to a vote at the May 14 election.

Mr. Albert Ng, 5514 Deerbourn Chase, spoke regarding Agenda Item V.B, University Boulevard South through Brazos Landing Project, and thanked the City for construction of a screen wall to solve the privacy issue, but since South University has opened, there is excessive noise from the traffic that is unbearable, and Mr. Ng does not believe the screen wall will solve the noise issue. He asked if this issue will be addressed at a future time.

REVIEW OF CONSENT AGENDA

Mayor Thompson introduced Review of the Consent Agenda and entertained questions and/or comments.

CONSENT AGENDA

Mayor Thompson introduced III.A) **SECOND CONSIDERATION: CITY OF SUGAR LAND ORDINANCE NO. 1936**, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AMENDING TELFAIR CENTRAL RESERVE C FINAL DEVELOPMENT PLAN, LOCATED AT THE SOUTHWEST CORNER OF UNIVERSITY BOULEVARD AND NEW TERRITORY BOULEVARD IN THE TELFAIR DEVELOPMENT; RE-ADOPTING THE FINAL DEVELOPMENT PLAN; AND REPEALING ORDINANCE NO. 1899; III.B) Authorizing technology replacement Purchase of Mobile Data Terminals (MDTs) for police and fire vehicles in the amount of \$62,117.00 from Motorola Corporation through Houston-Galveston Area Council Cooperative Purchasing Contract; III.C) Authorizing high technology replacement and Purchase of mobile and portable radios for Police and Public Works from Motorola Solutions in the amount of \$225,357.00 through Houston-Galveston Area Council Cooperative Purchasing Contract; III.D) Authorizing execution of Support Services Agreement by and between the City of Sugar Land and Tax Increment Reinvestment Zone Number Three; III.E) Authorizing execution of Support Services Agreement by and between the City of Sugar Land and Tax Increment Reinvestment Zone Number Four; III.F) Authorizing execution of a Design Contract in the amount of \$79,349.00 with Carollo Engineers, Incorporated, for North Wastewater Treatment Plant Odor Control Equipment, CIP WW1302; III.G) Approval of the minutes of the regular meeting of November 05, 2013.

Following a full and complete discussion, *Council Member Gandhi*, seconded by *Council Member Zimmerman*, made a motion to approve the Consent Agenda. The motion carried unanimously.

CERTIFICATES OF OBLIGATION ORDINANCE NO. 1938
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Mayor Thompson introduced **FIRST AND FINAL CONSIDERATION: CITY OF SUGAR LAND ORDINANCE NO. 1938**, AN ORDINANCE OF THE CITY OF SUGAR LAND, TEXAS, AUTHORIZING THE ISSUANCE OF CITY OF SUGAR LAND, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2013.

Ms. Jennifer Brown, Director of Budget and Research, presented the results of the issuance of Certificates of Obligation which were sold in the market on November 19. Ms. Brown recognized the team of financial advisors from Andrews Kurth and First Southwest.

Based on the resolution that was approved by City Council on October 1, the required notices were published and staff is ready to move forward with the issuance of debt. The par-amount is \$25.17 million which will fund four different types of projects and represent the projects that were in the approved Capital Improvements Program for Fiscal Years 2013 and 2014, a combination of both fiscal years into one issue.

Approximately 3% of the debt is for Airport projects, and this portion of the debt will be repaid from Airport revenues consistent with the Financial Management Policy Statements. The remaining projects are Drainage, Municipal, and Street & Traffic and will be repaid from property taxes. The total amount to construction is \$25.038 million and \$132,000 in issuance costs for the total of \$25.17 million that are being issued in par. The proposed debt issuance is supported within the 5-year financial forecast and is built-in and able to be funded within the current tax allocation.

**CERTIFICATES OF OBLIGATION
ORDINANCE NO. 1938 (CONTINUED)**

Bond Rating Calls were held on October 31 and November 1 with Standard and Poor's and Fitch Ratings; both agencies affirmed the AAA rating, which is an unenhanced rating and a straight AAA for the City. The key drivers noted in the ratings are strong socioeconomic base and part of broad Houston MSA; elevated and growing debt burden was mentioned as a strength and a weakness and has raised some questions about the debt burden. The debt burden that is referenced in the press release is the overall debt burden that is placed on the homeowners and references the City, County, school district, and MUD taxes. It was also mentioned that the debt is very manageable and is offset by the residents' income levels. The City strong financial performance and strong financial position were noted at fiscal year-end, high fund balance policies, and excellent management practices. The dependence on sales tax is mitigated by the policy setting aside the 10% of sales tax toward capital improvement projects and the commitment to fund as much as possible in capital projects from cash.

Presentation of Results: Seven bids were received and ranged in interest costs from 3.316% to 3.591%. The low bid was from BOSC, Incorporated with the 3.316% true interest cost.

Scheduled delivery of funds is December 17, 2013.

City Council discussion ensued regarding:

- If funded, the city can move forward with the Sugar Creek Drainage Improvements, Ragus Lake Drainage, and the Public Works Center; staff stated affirmative.
- Are these 20-year term obligations; staff stated affirmative and the City pays 50% of the principal off in the first 10 years, consistent with City policy.

Following a full and complete discussion, *Council Member Zimmerman*, seconded by *Council Member Mitchell*, made a motion to approve **CITY OF SUGAR LAND ORDINANCE NO. 1938**, AN ORDINANCE OF THE CITY OF SUGAR LAND, TEXAS, AUTHORIZING THE ISSUANCE OF CITY OF SUGAR LAND, TEXAS, COMBINATION TAX AND. The motion carried unanimously.

CONTRACTS AND AGREEMENTS

DESIGN CONTRACT – LAKEFIELD SUBDIVISION STREET RECONSTRUCTION

Mayor Thompson introduced consideration on authorizing execution of a Design Contract in the amount of \$385,560.00 with Kelly R. Kaluza and Associates, Incorporated, for Lakefield Subdivision Street Reconstruction, CIP ST1406.

Mr. Christopher Steubing, City Engineer, stated the Street Reconstruction Program was developed after the completion of the citywide Pavement Assessment this past fall, which identified the high priority areas that need to be addressed in the Reconstruction Program. The Lakefield project is the first to come before City Council to get the design started, and there will be more activity in the coming months.

CONTRACTS AND AGREEMENTS (CONTINUED)

**DESIGN CONTRACT – LAKEFIELD SUBDIVISION STREET RECONSTRUCTION
(CONTINUED)**

Staff presented background information stating the development of the Street Reconstruction Program was based off of the \$30 million identified through the pavement assessment. Highest priorities are moving forward, and a number of steps have been initiated: geotechnical investigation work, drainage analysis, and internal utility assessments. The areas identified as needing complete reconstruction were confirmed with staff site visits. Funding has been allocated in the Five-Year CIP.

Street Reconstruction:

<u>Street</u>	<u>Pending Status</u>	<u>Schedule</u>	<u>Priority Level</u>
Lakefield Subdivision	Design	D-FY14; C-FY15	1
Jenny Dr./Highlands Dr./ Campwood Dr.	Design	D-FY14	1
Williams Trace	PER	PER-FY14	1
Austin Parkway	Design	D-FY14	2
Dairy Ashford	Design	D-FY14; C-FY16	2
Sweetwater / Elkins	Design	PER-FY13; D-FY17 C-FY18	3

Program Goals:

- Develop refined cost estimates
- Continue to define program areas
- Continue to build on assessment
- Develop program within available funding
- Schedule projects within the CIP

Project History: Lakefield Way and Great Lakes Avenue were identified by the pavement assessment and identified as the highest priority of all street sections evaluated. Construction funding has been identified in Fiscal Year 2015.

Project Overview:

- Reconstruction of approximately 1.5 miles of roadway
 - Lakefield Way and Great Lakes Avenue
- Water line replacement
- Sidewalk replacement
- Driveway connections
- Arborist services

Project funding tracked in ST1406.

Staff provided a Vicinity Map showing Lakefield Way and Great Lakes Avenue, which is the main focus, all connections making transitions to the existing streets, and connections back out to Austin Parkway.

CONTRACTS AND AGREEMENTS (CONTINUED)

**DESIGN CONTRACT – LAKEFIELD SUBDIVISION STREET RECONSTRUCTION
(CONTINUED)**

Photographs of some of the streets showed a large amount of deflection within the pavement, heating contraction underneath the pavement that has moved around in its life; and concrete being rigid as it fails, and it fails very abruptly. This is consistent with the entire loop along Lakefield Way and Great Lakes.

Program Consultant Selection:

- Selection process, Policy PU109
- RFQ published this summer
- 43 Statement of Qualifications received from engineering firms; did not list identified projects
 - Internal team reviewed
- Total number of projects – 5
 - 9 interviewed

Schedule:

- Design to be completed in Fiscal Year 2014
 - Timeline – 6 months
- Construction to follow in Fiscal Year 2015 or sooner
 - Timeline – 1 year

Open meetings will be held informing the public and the HOAs.

The City Project Manager for the job is Greg Nichols.

City Council discussion ensued regarding:

- Internal streets must have some life remaining; staff stated the connecting streets internal to the subdivision are in very good shape, with some select panel replacement that may be done with this contract or will coordinate with Public Works on the rehabilitation.

City Manager Bogard stated the construction is not budgeted in Fiscal Year 2014. During the CIP workshops, City Council discussion was held regarding the possibility of being able to get the project ready to move forward sooner; and if City Council was interested in moving the project forward, it could be considered if possible. Once the engineering is complete, staff will be in the middle of the budget process and can review the issue. Regarding the second point, Mr. Bogard stated as part of the annual CIP process, City Council will decide what projects are funded and in what year. The City Council may decide to change from the current CIP, which the current presentation illustrates funding years, and Council will be evaluating that each year and making the decision that each Council Member feels is the most appropriate that year.

Following a full and complete discussion, **Council Member Jajoo**, seconded by **Council Member Gandhi**, made a motion to approve a Design Contract in the amount of \$385,560.00 with Kelly R. Kaluza and Associates, Incorporated, for Lakefield Subdivision Street Reconstruction, CIP ST1406. The motion carried unanimously.

CONTRACTS AND AGREEMENTS (CONTINUED)

**UNIVERSITY BOULEVARD SOUTH THROUGH BRAZOS LANDING PROJECT –
CONSTRUCTION IMPROVEMENTS**

Mayor Thompson introduced consideration on authorizing execution of a budget amendment in the amount of \$20,000.00 from General Fund Capital Improvement Program fund balance to University Boulevard South through Brazos Landing Project, CIP ST0805, for construction improvements.

Mr. Christopher Steubing, City Engineer, stated University Boulevard South was completed in February of 2013. Prior to construction, staff realized there would be issues to address either during design or construction once staff had a true idea of the impacts, which were categorized quality of life issues: Levee districts in the area and having to go over the levees; geometry of the roadway and elevations that are required to make necessary transitions on and off the bridges.

Some of the issues were identified and handled during construction: Screen wall near Ditch H, additional retaining wall, school zone, and additional landscaping near Oxbow Bridge and at the levee. Noise with the bridge was a concern but is hard to control. Complaints were received after the roadway opened. These are similar impacts that were addressed on the other side of the project. Additional items required after completion: Trees were planted adjacent to the LID#14's right-of-way and the city has been instructed to move the trees; this has been accommodated. There are some constraints in the area regarding the Dow Chemical natural gas pipeline; slope paving due to the grades coming over the levee down to the adjacent grade. Staff is working through these issues. There is no funding available in the current project budget for the additional items. Some landscaping was done because of the savings available early on.

Staff presented an aerial view of what is being proposed.

Construction Cost:

- Additional screen wall - \$8,400
- Additional landscape removal and replanting - \$10,000
- Contingency - \$1,600
- Total \$20,000

City Council discussion ensued regarding:

- Will noise concern issues be addressed; Staff stated affirmative, within the limits of where it is able to be constructed. One issue is that nothing can be constructed on the bridge or the levee, so there is a gap between the bridge rail and the levee access roads with which staff has worked with the LIDs. There is a constraint that no physical barrier can be put across. The biggest noise is the expansion joints across the bridge, but bridges have to move. The solid brick wall was the recommendation that makes the most sense in this area and is the best option. A sound wall section of that length will prove no more benefit than what is being recommended and will be five times the cost.

Following a full and complete discussion, *Council Member Jajoo*, seconded by *Council Member Mitchell*, made a motion to approve a budget amendment in the amount of \$20,000.00 from General Fund Capital Improvement Program fund balance to University Boulevard South through Brazos Landing Project, CIP ST0805, for construction improvements. The motion carried unanimously.

CONTRACTS AND AGREEMENTS (CONTINUED)

**UNIVERSITY BOULEVARD SOUTH THROUGH BRAZOS LANDING PROJECT –
CONSTRUCTION IMPROVEMENTS (CONTINUED)**

Mayor Thompson requested staff to work with the homeowner near project completion and bring this forward to determine if staff can continue to mitigate wherever possible as technology becomes available.

TRAFFIC SAFETY TASK FORCE

Mayor Thompson introduced receive for filing and discussion on the Traffic Safety Task Force findings of the independent review and recommendation for the Red Light Camera Program.

Mr. Mike Goodrum, Executive Director, stated the recommendation from the Task Force will be presented, and City Council will not be asked to make any direction or long-term decisions on the program. In the next 45 days, the Police Department will bring forward an agenda item; at that point, City Council will provide direction on the future.

Mr. Harvey Zinn, Chairman, Traffic Safety Task Force, stated the Task Force was charged to make an independent recommendation to the City Council. The Task Force met over the last four months and received input from the City and the representatives of the Houston Coalition Against Red Light Cameras. All meetings met the requirements of the Texas Open Meetings Act.

After review of all of the information, the Task Force has concluded that the Red Light Camera Program changes driver behavior for the better and results in a safer City. The Task Force concludes that the Red Light Cameras replace the need for police officers to enforce these areas and allows them to be reallocated to deterring and solving crime in the City.

With a vote of 9 members to 1, the Traffic Safety Task Force recommends the continuation of the Red Light Camera Program. With a vote of 7 to 3, the Task Force recommends that the City further evaluate the following four areas:

1. Evaluate the current length of the yellow light to ensure it is in accordance with engineering standards. Determine if the addition of one second would improve intersection safety.
2. Evaluate current red light camera signage and determine if any improvements can be made to better inform drivers.
3. Review the current fine amount to determine if it is appropriate.
4. Review the current wording on the red light camera Notice of Violation to ensure it is accurate and non-threatening.

Mr. Zinn stated the Traffic Safety Task Force brings to City Council a recommendation of keeping the Red Light Camera Program.

TRAFFIC SAFETY TASK FORCE (CONTINUED)

Mayor Thompson stated during the Public Comment portion of the Agenda, it was stated that information had been withheld, and asked **Mr. Zinn** if he had received all of the information that he had requested from the City and any groups. **Mr. Zinn** stated everything that he had asked for, he did receive.

City Council discussion ensued regarding:

- In the Public Comment, it was alleged that one of the Task Force members said he was not heard; Mr. Zinn stated he was heard loud and clear; a motion was made, seconded, and opened up for discussion, and Mr. Zinn stated he heard a loud and clear and a good conversation ensued.
- The four recommendations and what prompted the length of the yellow light; Mr. Zinn stated the Coalition is an advocate of increasing one second to the yellow light and that it would help the red light position. City Engineering stated there would have to be an engineering report and would not recommend the one second.
- Clarification on information being withheld from one member and if there is an issue of the camera program being a financial benefit to the City; Mr. Zinn stated any time a member asked him for a request for information, he would obtain the information and send it to the Task Force member. Regarding the financial issue, Mr. Zinn stated the Task Force received the numbers on financials and it is not a financial decision for the City to keep the camera program; it is a safety reason.

RECESS MEETING

Mayor Thompson recessed the Regular Meeting, time 6:50 o'clock P.M.

RECONVENE MEETING

Mayor Thompson reconvened the Regular Meeting, time 7:00 o'clock P.M.

WORKSHOPS

WATER MASTER PLAN PHASE TWO UPDATE

Mayor Thompson introduced discussion on Water Master Plan Phase Two Update.

Ms. Lisa Kocich-Meyer, Principal Planner, stated the project has been a multi-departmental effort between Water Utilities, Public Works, Transportation and Long Range Planning, and a consultant, Alan Plummer Associates who is assisting the City on the project.

The Water Master Plan is one of the eight official master plans of the City and is the tool used to implement the vision of the Comprehensive Plan relating to planning of the City water needs for the future. The Plan documents policy direction and identifies long-range water infrastructure needs, and was last updated in 2007.

The Water Master Plan relates to several of the Comprehensive Plan Goals: Safe Community; Environmentally Responsible Community; Great Neighborhoods; Regional Business Center of Excellence; Balanced Development & Redevelopment, and Community Pride in Sugar Land.

WORKSHOPS (CONTINUED)

WATER MASTER PLAN PHASE TWO UPDATE (CONTINUED)

The Water Master Plan is being updated in a two-phase approach. Phase I was the focus in 2012 and early 2013 and is now completed. The focus was more on the traditional planning efforts related to growth and accommodating future growth, and the development of a water quality monitoring plan to meet TCEQ regulatory requirements in preparation for bringing the Surface Water Treatment Plant online.

The City is moving forward with Phase II, which is currently underway. As part of Phase II, the focus will be on broader policy issues and gathering public input on community preferences to help guide the Update.

Phase II Scope:

- Focus more on longer-term water supply, demand, infrastructure, and policy issues
- Plan recommendations
 - Reflect Comprehensive Plan Vision and Goals
 - Further define goals, initiatives, and strategies, as an example, to address Fort Bend Subsidence District regulations
- Solicit public feedback
- Deliverables:
 - Policy documentation
 - Action items and implementation plan to achieve goals

Phase II is broken into 7 project steps:

Step 1: Prep

Step 2: Gather Input

Step 3: Draft Vision Statement & Goals

To date, Steps 1-3 have been completed.

Step 4: Policy Development

Step 5: Develop draft plan recommendations

Step 6: Draft plan text

Step 7: Review & adoption

Staff has gathered community feedback to gain an understanding of what is important to the community and the public: Posted online Town Hall topic, conducted 4 stakeholder meetings, and held one open public meeting to gather general values based feedback at the onset of the project.

Online Town Hall Topic:

- Open May – June
- What should the City consider when planning for future water needs?
- 10 responses received ranged from conservation-utilizing rain barrels, costs, wasteful irrigation, water resources, and GRP information

WORKSHOPS (CONTINUED)

WATER MASTER PLAN PHASE TWO UPDATE (CONTINUED)

Stakeholder Meetings:

- Met with GRP participants, HOA representatives, KSLB Board, Parks Advisory Board, SL-101 graduates
- Feedback included:
 - Pay versus use
 - Conservation should be practiced by all
 - Education is important; City as a leader
 - More aggressive drought response in the future

Open Public Meeting #1:

- Reviewed draft of Vision Statement and Set of Goals that had been developed based on feedback from the Stakeholder Meetings and the Online Town Hall and an attempt to try to further find water related goals for the Comprehensive Plan
- Presented Vision Statement:
 - Sustain Sugar Land's quality of life by providing safe, adequate, and high quality water in an environmentally responsible and cost effective manner; feedback received from the participants was supportive of the Statement; one recommendation was to add "and enhance" after "sustain" in the Vision Statement.
- Staff presented (5) goals that were drafted:
 1. Dependable deliver safe and high quality water
 2. Provide for the City's current and long-term water needs
 3. Conserve water to reduce long-term service delivery costs and as an opportunity to be environmentally responsible.
 4. Deliver water cost effectively and equitably
 5. Be prepared for droughts and other emergencies

Feedback was that the participants were onboard and very supportive of the general goals to work toward.

Step 4: Policy Development:

- Focus is on developing the broader approach and policy direction for key policy issues
- Key policy issues are based on outstanding questions and stakeholder input
- Scope for Phase II includes developing (6) policy topics/white papers
- Document background, data, assumptions, and develop policy recommendations

Mr. Ricardo Ramirez, Water Resources Manager, presented the (6) policy topics:

1. Water Resources
 - Purpose of the white policy paper is to:
 - Assess the City's existing water resources and make recommendations on whether to secure additional water supplies and guide the City's future water supply decisions

WORKSHOPS (CONTINUED)

WATER MASTER PLAN PHASE TWO UPDATE (CONTINUED)

- Policy Questions:
 - Water supply: How much is enough?
 - Water distribution: What is optimal use for each resource?
 - Drought planning: Should revisions be made to Drought Contingency Plan?
- 2. Water Conservation
 - Purpose:
 - Document the City's position on water conservation and recommend water reduction goals and approaches to water conservation
 - Policy Questions:
 - Impact on future water needs, infrastructure, environment?
 - Goals: How are they measured?
 - City as a leader: Internal/external programs?
- 3. Reclaimed and Non-Potable Water Usage
 - Purpose:
 - Document the City position on the use of reclaimed and non-potable water and recommend criteria for evaluating future reclaimed and non-potable projects
 - Policy Questions:
 - Rates: What considerations should be taken when setting rates?
 - Future projects: GRP considerations? Financial considerations?
 - Legislation regarding Fort Bend Subsidence District
- 4. Rate Structure
 - Purpose:
 - Document the City position on changing the Utility Fund customer rate structure and recommend uses of the funds and summarize all GRP water rates
 - Policy Questions:
 - Utility Fund: Analysis of current rate structure
 - Rate Model: Review of base rate and how base rate is determined
 - Conservation Considerations: How conservation will affect the rates
 - Surface Water Fund: GRP Rate? Should any changes be made
- 5. GRP (Groundwater Reduction Program)
 - Purpose:
 - Document the City policy to meet regulatory requirements and GRP governance issues
 - Policy Questions:
 - FBSD (Fort Bend Subsidence District) Compliance: Projects/strategies for compliance
 - Conversion Credits: How we value the credits and what is an adequate reserve?
 - Governance Considerations for FBSD affect conversion credits and how valued

WORKSHOPS (CONTINUED)

WATER MASTER PLAN PHASE TWO UPDATE (CONTINUED)

6. Irrigation & Aesthetic Water Use

- Purpose:
 - Provide specific guidance for both City and private irrigation systems
- Policy Questions:
 - Irrigation: What are the BMPs (Best Management Practices)? Efficiency Standards? Incentives/Programs? Water Savings?
 - Lake Filling Considerations: Policy recommendations

Next Steps include:

- Staff and consultant draft policy recommendations/white papers
- Council Workshop to review draft policy recommendations
- Develop draft recommendations for strategies and initiatives
- Public feedback on draft plan recommendations
- Review and approval

City Council discussion ensued regarding:

- Six policy topics; it was suggested when doing the assessment of the existing Water Resources, to focus on surface and ground water and on the existing policy (80/20 versus the 60/40 conversion that is way out); on Water Conservation, best practices of other cities, and look at the use of incentives; on Policy Topic No. 4 - Rate Structure, is there a structure rate or other different rates for commercial versus residential; Policy Topic No. 6 – Irrigation & Aesthetic Water Use, a drip versus sprinkler, and is there some kind of a beta project that can be done on one of the upcoming landscape projects to test this, and use of native plants.
- Policy Topic No. 3, Reclaimed & Non-Potable Water Usage; a Council Member asked if the City is going to look at possible impacts to our Development Code; for instance, if a business park is built, can the city move people in a direction where we want them to go and increase reuse? Is that part of the white paper? Staff stated affirmative, and that part of the purpose of the reclaimed and non-potable paper is to answer those questions as there is not a current policy. Staff wants to ensure that the right water is provided for the right use.
- Education programs for children and adults as some adults do not understand the very simple ways of saving a lot of water around their homes and is interested in resources that can be used to reclaim water as that is key to solving a lot of problems.
- The timing of completion of the Master Plan Phase II; staff stated the main work, coming up with the recommendations, should be finished by the end of 2014 and start the review and approval process at the beginning of 2015.

WORKSHOPS (CONTINUED)

CONSTELLATION FIELD 2013 PERFORMANCE REPORT
--

Mayor Thompson introduced discussion on Constellation Field 2013 Performance Report.

Ms. Regina Morales, Director of Economic Development, stated the City goal is establishing Sugar Land as a destination location that is being achieved through the creation of destination attractions. This was formally recommended by the 2007 Citizen Task Force to create a Minor League Ballpark and is the result of many years of effort by the City, citizens, and public-private partners.

Constellation Field was funded by an investment of \$36 million. Opening Day Partners invested \$6 million of private equity into the project. Sugar Land 4B Corporation issued \$30 million in sales tax revenue bonds and no general funds were dedicated toward the project, and the payments of the debt on the sales tax revenue bonds are not dependent on ballpark revenues. Johnson Development donated the land for the site of the ballpark.

The reason for building the ballpark was to have a Community amenity; the City wanted to have affordable family entertainment and needed it to be a gathering location for special events, and wanted a place that businesses could utilize and company events could be held. Constellation Field is beneficial to the City nonprofits which have benefitted through fundraising partnerships, and it enhances Sugar Land's attractiveness as a destination entertainment location and strengthens the City's overall economic development sustainability. Constellation Field was a catalyst for Imperial Redevelopment, and the results are beginning to show as new development is currently under construction near the ballpark.

Inaugural Season Highlights: In 2012, the City had a banner inaugural season and gained national recognition with its unique features such as: a scoreboard shaped like Texas; chosen by a fan vote for Baseball America's 2013 Great Parks Calendar; and the Skeeters organization was named a runner-up for Baseball Digest's 2012 Organization of the Year, and the name recognition of Rogers Clemens pitching at some of the Skeeters' games.

Inaugural Season Attraction and Attendance: Records were broken on attendance in the ballpark which was ranked nationally in the top 25 of minor league ballparks. The Sugar Land Skeeters were ranked 3rd; an interesting note is that all of the other teams that were ranked higher are all affiliated with a Major League; the Sugar Land Skeeters are the only Independent team. The attendance was over 465,000 for the whole season, but there is some leveling off of the ticket sales, as is expected in the 2nd, 3rd, and 4th seasons.

2013 Season Highlights: Constellation Field was awarded two 2013 Houston Business Journal Landmark Awards for Community Impact and Legends was highlighted for Hospitality/Entertainment for services provided to the ballpark. Skeeters was the "winningest" team in full-season professional baseball in 2013 and established an Atlantic League single-season win record with 95 wins in 2013, which resulted in the team going to the playoffs.

WORKSHOPS (CONTINUED)

CONSTELLATION FIELD 2013 PERFORMANCE REPORT (CONTINUED)

Staff noted that Constellation Field has seen an increase in usage for other events in Year 2 with more than 88,000 for non-baseball events, which include festivals, charity events, sports tournaments, company events and corporate meetings.

2013 Attendance Above Projections:

Projected versus Actual Attendance *Based on CSL Feasibility Study: 2009 Facility Benchmark Data

	<u>Attendance + Events</u>	<u>% Change vs. Pro Forma</u>
Pro Forma: Annual Impact (Baseball & Other)	308,500	N/A
2012 Regular (Baseball + Concerts)	472,511	53.16%
2013 Regular + Playoffs + Special Events YTD	479,656	55.48%

Attendance: Baseball *Average transition after Opening Season: 20-25% reduction

	<u>2012 Regular Season</u>	<u>2013 Regular + Playoffs</u>
Games	70	71
Total Attendance	465,511	390,726
% Change	N/A	-16.07%
Average Attendance	6,650	5,503

Non-Baseball Events

<u>2012</u>	<u>2013</u>
Full-Time Special Event Staff: 0	Full-Time Special Event Staff: 3
Events: 10*	Events: 81
Attendance: 7,000**	Attendance: 88,930

*Event information not tracked in 2012. Skeeters estimate.

**Estimated concert attendance only – provided by Ace.

Only includes REO Speedwagon & ZZ Top concerts.

WORKSHOPS (CONTINUED)

CONSTELLATION FIELD 2013 PERFORMANCE REPORT (CONTINUED)

Sample Events – 2013 (YTD)

Constellation Field Events: Fan Fest, Craft and Trade Show, Dodgeball Tournament, Kickball Tournament, and Winter Festival

Community Events: Star Spangled Celebration, Diwali Festival, Dussehra Mela, International Festival, Fort Bend County Career Fair, JJ Watt Charity Softball Game, Southland Conference Baseball, and more.

Corporate Events: Local Businesses: Fluor, BP, Nalco, Frost Bank, Republic Services; Houston-Galveston Clean Air Conference; Houston Roofers Association Conference, and more.

Private and Special Events: Gridiron Football; Meeting- Professionals International Houston; Graduations, Proms, and Reunions; Rehearsal Dinners, and more.

2013 City Suite & Ticket Usage:

<u>Hosted Groups</u>	<u>Ticket Allotment</u>
Total Groups: 48	Total Distributed: 6,825
Businesses: 18	Sugar Land Businesses: 5,309
IGR: 24	IGR, Volunteers, Philanthropic &
Non-profit: 3	Employees: 1,516
Tourism: 3	

Development Agreement Closeout:

- Successful Completion of Project
- Under Budget !!!
 - Approximately \$300,000 left in contingency
 - Reinvested back for additional equipment
- Next project: Marque Sign

Constellation Field Success Story:

- Development of ballpark under budget – set new standards for quality
- Baseball attendance above projections and highest in Atlantic League
- Skeeters embraced by community and nationally recognized
- Community usage increasing and well-received

Looking Ahead:

- Constellation Field: P3 Structure
 - Ticket sales above threshold for profitability = participation rent sharing with City
- Performing Arts Center:
 - Similar P3 structure – ED sales tax revenue bonds, HOT, CO's supported by rent payments
 - Operator incurs all Operations & Maintenance and future capital replacement responsibility

WORKSHOPS (CONTINUED)

CONSTELLATION FIELD 2013 PERFORMANCE REPORT (CONTINUED)

Impact to City:

- P3 projects are structured to minimize or eliminate risk to the City
- Project bond ratings are based on current and future CIP through 2018:
 - Recent Fitch rating: “AAA” Outlook is Stable (11/08/13)
 - Strong Financial Performance/Position: retains ample reserves and liquidity
 - Excellent management practices/policies
 - Sales Tax exposure mitigated (receipts are strengthening)
 - Affluent suburb with stable resource base, residential and commercial

2013 Tax and Debt Comparison:

Results of the 2013 TML Tax and Debt Survey of 657 cities

Among 74 cities with population > 25,000 – 400,000:

- Sugar Land tax rate: Lowest
- Taxable Value per capita: 2nd Highest
- Tax Backed Debt as a percent of Taxable Value: 15th Lowest
 - Sugar Land 2.4%
 - Pearland 4.66%
 - Baytown 3.27%
- Survey proves Sugar Land shows tremendous financial strength in managing its debt structure

City Council discussion ensued regarding:

- Some residents still do not understand the financing of the ballpark; can staff prepare a press release and remind the residents how it is being paid for and that it is not relying on property taxes, but is paid for through the sales tax. Staff stated a press release has been prepared on the performance projections, but will add what has been requested.

CITY COUNCIL CITY MANAGER REPORTS

CITY COUNCIL REPORTS

Mayor Thompson introduced Community Events Attended or Scheduled.

Council Member Gandhi reported attending the Building and Standards Commission meeting and a very positive result was reached for the family; and the Board of Directors meeting for the H-GAC.

Council Member Porter reported that he attended the Planning and Zoning orientation for new members, participated in the Fort Bend Chamber of Commerce Leadership current class and facilitated the infrastructure session; visited the City’s North Wastewater Treatment Plant; tested the water in the Surface Water Treatment Plant; and met with City Staff on information he had requested regarding crime statistics.

CITY COUNCIL CITY MANAGER REPORTS (CONTINUED)
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CITY COUNCIL REPORTS (CONTINUED)

Council Member Jajoo reported also testing the waters and did not notice a difference in the taste; attended the TIRZ 4 meeting and approved the budget; met with City Staff regarding crime statistics in the city; and attended the Diwali celebrations at Constellation Field with over 9,000 people attending.

Council Member Yeung reported that she attended the State Representatives luncheon at the Fort Bend Chamber which was very educational; the Compensation Committee meeting and the TIRZ 3 Board meeting; the Fort Bend Chamber Infrastructure meeting and the Economic Development Committee meeting.

Council Member Mitchell reported attending the hanging of the Imperial Crown, two Diwali celebrations, emceed “Music to Your Ears”, a great event with children singing and voices of angels; attended the canvassing of the Bond Election; and attended Honoring America’s Heroes, an event where Detective Billy Baugh and Sergeant Ed Aldredge of the Sugar Land Police Department, and Captain Kip Hilgers of the Sugar Land Fire Department, were recognized.

Council Member Zimmerman reported that he attended the Fort Bend Diwali Gala at Safari Texas, Troop 731 with George and Lisa Williams at Highland Village Park, which was fascinating talking to the Boy Scouts about Citizenship.

CITY MANAGER REPORT

City Manager Bogard reported attending the Water Tasting activity at which the tasters who had participated in the tasting of different treatment methodologies about five years ago were in attendance and tasted some of the first water produced by the Surface Water Plant; the tasters were all very complimentary of the outcome. As of November 18, the residents of Sugar Land began drinking City surface water from the Surface Water Plant. There has been some material on recognition of Sugar Land, particularly Zip Code 77479, as being recognized as a Super Zip, which means it is in the top 5% in the nation for per capita income and education level, and are at the 96th percentile across the country. The City Council Workshop scheduled for November 26 has been cancelled, and the City offices will be closed on Thursday and Friday, November 28 and 29, for the Thanksgiving holiday.

ADJOURN

There, being no further business to come before Council, *Council Member Mitchell*, seconded by *Council Member Jajoo*, moved that the meeting adjourn. The motion carried unanimously and the meeting adjourned, time at 7:56 o'clock P.M.

Glenda Gundermann, City Secretary

(SEAL)